

Dear Mr. Beorkrem:

Thank you for your comments before the Mississippi River Commission during the public meeting held in Davenport, Iowa, on August 13, 2002. In your statement you discussed several items of concern including the restructured Upper Mississippi River and Illinois Waterway (UMR-IWW) System Navigation Study and the UMR Environmental Management Program.

The missions of the U.S. Army Corps of Engineers have evolved over the years as directed by Congress, as have the ways of accomplishing the missions. Central to the water resource mission is the goal to achieve sustainable communities, economics, and ecosystems. Meeting this goal requires the Corps to balance the needs of flood control, navigation, environmental preservation and restoration, and the management of natural resources. This balance will require a commitment to collaboration by all stakeholders of the river system, and the Corps appreciates your commitment to this process.

Your statement points out concerns with the economic modeling being used in the UMR-IWW System Navigation Study. It is recognized that this has been and will continue to be a contentious issue for the study. The Corps has agreed with the National Research Council (NRC) in its conclusions that the spatial equilibrium model utilized in the original study was a step in the right direction; however, it contained flawed assumptions and data. The NRC recommendation was not to use the essence model in the feasibility study. The NRC did, however, recommend further development of the spatial model

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and additional data collection to support the feasibility study. The initial estimate to fully accomplish the NRC recommendations was many years and considerable funding. There were and continue to be questions as to whether all of the recommendations are even possible. The Corps has the challenge of how to move forward with the feasibility study in a timely manner as directed by the Administration and Congress.

The Corps, in coordination with the Federal Principals Task Force, concluded that further development of a spatial model was a good idea; however, the work should be performed in a research and development setting outside the study process. The Corps

also concluded that an existing model should be used to complete the feasibility study as soon as possible. The existing model selected as the tool to evaluate the National Economic Development transportation impacts associated with the various alternatives is the Tow Cost Model. The Corps will explore opportunities for incorporating spatial concepts into a sensitivity analysis during development of the recommended plan. The Corps will also continue development of a new spatial model on a parallel effort through its research and development program. As new methodologies become available, consideration will be given to incorporating them into the restructured navigation feasibility study.

Your statement also expressed concern with "accepting legal responsibilities" for management of the river system. As you know the Corps has agreed to meet with you and other representatives of environmental advocacy organizations to explain the existing authorities through which the Corps is empowered to act.

The Environmental Management Program partnership has maintained a longstanding balance between monitoring conducted by the Long-Term Resource Monitoring Program (LTRMP) and habitat restoration accomplished through the Habitat Restoration and Enhancement Program. Maintaining that balance is essential to the program's continued support and success. The Corps realizes the need of one part of the program over another in any given year and has worked with the state partners through the Environmental Management Program Coordinating Committee (EMPCC) to address those needs. During the most recent

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EMPCC meeting held in St. Louis on August 7, 2002, the funding for the program was addressed. Based on the bottom-line needs identified by the LTRMP, the Corps and state partners agreed to provide an additional \$400,000 to \$600,000 to LTRMP. This amount does not fund LTRMP to the level of need for the overall program, but it does allow all permanent staff and facilities to be retained for the following year. As you stated, while total program dollars decline, increased coordination and collaboration are key with the partners. The results of the last EMPCC meeting are an indication of our continued commitment to the program and partners on the Upper Mississippi River.

Thank you again for your presentation before the Commission. We appreciate your concern, support, and interest in the viability, health, and sustainability of the Upper Mississippi River System and look forward to hearing from you at our future public meetings.

Sincerely,

Don T. Riley
Brigadier General, U.S. Army
President Designee, Mississippi
River Commission